The Star-Ledger (New Jersey) May 20, 2005

Trade Pact Deserves Support

There is no single prescription for alleviating poverty and building stable middle classes in struggling countries, but free trade is among the best long-term medicines available. That's why growing opposition to the Central American Free Trade Agreement among congressional Democrats, and some Republicans as well, is ill-considered, a triumph of politics over principle.

CAFTA, which was signed a year ago by six nations - Guatemala, Honduras, El Salvador, Nicaragua, Costa Rica and the United States - is facing an uncertain future. President Bush has pushed hard for the pact, which would end most tariffs and import restrictions and expand the market for U.S. goods and services in Latin America. The experience with the North American Free Trade Agreement, now 12 years old, is that it stimulated trade and investment even if it didn't, as some NAFTA boosters had promised, create new and better jobs, raise incomes and improve working conditions.

It's partly disappointment with NAFTA that has fueled opposition to the new agreement. Some critics say CAFTA doesn't go far enough in protecting worker rights and training. Others point to the need to narrow the \$617 billion U.S. trade deficit. The sugar industry, which stands to take a hit as Central American producers gain access to U.S. markets, has led an aggressive lobbying effort. That industry, which includes cane growers in the South and sugar beet growers in the Midwest and North, has a broad political reach. The textile industry, which worries about job losses, has also been loudly opposed.

While some of these concerns are legitimate, they are outweighed by CAFTA's real and symbolic benefits. The Bush administration correctly recognizes that a stronger, more cohesive hemisphere leads to greater security and prosperity. A commitment to Central America, which often has languished on the sidelines of U.S. policy, would be a significant step in that direction.